

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



December 22, 1988

ALL COUNTY LETTER NO. 88-159

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: AUTOMATION OF WELFARE PROGRAMS: INTERIM SYSTEM POLICY

REFERENCE: MANUAL OF POLICY AND PROCEDURES, SECTIONS 28-005,
28-010, 28-100, 28-115

The State Department of Social Services (SDSS) has been pursuing the automation of California's welfare programs through the Statewide Automated Welfare System (SAWS) project. The basic approach to implementing SAWS has been to develop systems in selected pilot Counties utilizing State-developed system requirements and then transfer these systems to the remaining Counties once each system has been successfully tested. Because of the need to ensure efficient and effective welfare program administration, SDSS has approved a variety of County Electronic Data Processing (EDP) efforts that are not SAWS pilot projects. For example, SDSS has approved and will continue to review County requests in accordance with Division 28-105 regulations for automation in order for Counties to meet State mandates and/or requirements.

Recent developments, however, have caused SDSS to review its policy for approving automation requests. First, as the development of the SAWS piloted systems progresses, the availability of transferring a SAWS system must be considered by the County as a viable option for automation. Second, the respective reviewing Federal agencies have begun taking a critical view of any County EDP request for welfare that is not a SAWS pilot project expressing concern over the proliferation and cost of systems that are not SAWS. Given the status of SAWS developments and the Federal perspective for automation of welfare programs, the attached policy has been developed, in conjunction with input from the County Welfare Directors Association (CWDA), to assist the Counties in developing their EDP plans.

Automation that would be considered in the SAWS arena is defined as any automation request that directly or indirectly affects the Aid to Families with Dependent Children (AFDC), Medi-Cal and/or Food Stamp Programs. This would include, for example, the

automation of the benefit computation function for the AFDC program, terminal replacement or mainframe upgrade for a system that supports any or all of these welfare programs or the migration of a system from one mainframe to another that involves any of these programs.

If you have any questions concerning this policy, please contact Michael L. Summers at (916) 323-6233.

A handwritten signature in cursive script, reading "D. J. Boyle".

DENNIS J. BOYLE
Deputy Director

Attachment

cc: CWDA

Interim System Policy

Automation Required to Meet Policy Mandates/Requirements or to Maintain Automated System Operations

This policy governs requests for the replacement or enhancement of a current EDP system, for the replacement of current EDP equipment and/or for the first-time automation of welfare function(s) based upon the County need to meet State mandates and/or requirements. This includes automation that is mandated by the State as well as automation that is required by the County in order to meet State mandates or requirements. (For example, the County currently has an automated system that requires a modification/upgrade in order to implement a change in State regulations such as a cost-of-living increase for welfare payments.)

This policy also covers the replacement of equipment/system in order to maintain system operations.

The County must:

- Demonstrate that the request is clearly needed in order for the County to meet State mandates and/or requirements or to maintain system operations;
- Demonstrate, if the request is for a replacement of equipment/system, that the existing equipment/system is no longer functional (i.e., downtime, repair record, reached capacity) and/or is no longer supported by the industry; and
- Demonstrate that this is the most economical approach to resolving the stated problem(s). The intent is to allow the County to meet the mandate/requirement or to maintain system operations utilizing the least expensive approach until such time that a SAWS system becomes available.

Other Automation Development/System Enhancements

This policy governs requests for the development of a new automated system, either a fully-functional system or automation of selected function(s) or for any enhancement (including equipment replacement) to a current welfare system that is desired by the County but is not mandated by the State or is not needed to meet State policy mandates/requirements or to maintain system operations. (For example, the County has a manual operation in place but would now like to automate in order to improve on the efficiency and/or effectiveness of operations.)

Counties may request to implement a fully-functional system or single function development for welfare automation or implement enhancements to a current welfare system concurrently with the SAWS development in pilot Counties. The SAWS functions are Automated Eligibility Determination (AED)-Intake, AED-Continuing,

Automated Benefit Computation (ABC), Benefit Delivery, Case Management (CM) and Management Information (MI). Counties must justify the request based upon the following criteria:

- The County must demonstrate a compelling reason for the request (i.e., improved efficiency/effectiveness of operations, cost-benefit, reasonable payback, etc.);
- The County must demonstrate that this is the most economical approach;
- The County must agree to replace the interim system with a SAWS pilot system in accordance with a SAWS statewide implementation schedule that will be developed by SDSS in conjunction with CWDA;
- The County must be able to demonstrate that the proposed system development/enhancement will be completed and fully operational before the date the first County could begin transferring a SAWS system (see "SAWS Time Frames-Transfer Dates" below); and
- Cost benefit analysis must demonstrate payback of development costs in accordance with Division 28-110 regulations and must occur prior to the date a SAWS pilot system could be fully operational in the first County (see "SAWS Time Frames-Implementation Dates" below).

NOTE: To perform these date comparison tests, the County should identify, in the interim system request, the SAWS pilot system to be compared to and provide the rationale for the selection. The dates listed for that pilot system should then be used in accordance with this policy.

It should be noted that while this policy allows Counties to pursue certain types of welfare automation efforts, there is no guarantee that where Federal approval is necessary, the respective Federal agencies will approve such requests. The policy is intended to give the Counties some reasonable requirements for their EDP requests taking into consideration the progress that has been made in SAWS pilot systems and the Federal view toward County welfare automation requests.

SAWS Time Frames

Four Counties have been selected to develop and pilot test the SAWS concept. These pilot Counties are Napa (UNISYS system), Merced (IBM system), Sacramento (Welfare Case Data Consortium-IBM system) and Los Angeles. SDSS, in conjunction with CWDA, will begin evaluating the current pilot systems as a potential solution for the small Counties and may also examine a fifth approach if deemed appropriate.

NOTE: For purposes of this policy, only the timelines for the Napa and Merced pilot systems will be used since only these pilot Counties have progressed to a stage that the timelines displayed below can be considered relatively firm, barring any unforeseen delay.

Transfer Dates: (These are the dates by which the requested EDP project must be completed.)

Given the current timelines for Napa and Merced Counties, it is anticipated that the SAWS system in each of these Counties will be available for transfer to a receiving County by the following dates:

- o Napa County: July 1990
- o Merced County: October 1990

NOTE: The Transfer Dates as used here reflect the date that the receiving County could release a Request for Proposal (RFP) to transfer a SAWS pilot system.

Implementation Dates: (These are the dates by which the requested EDP project must have achieved payback.)

Given the current timelines for Napa and Merced Counties, it is projected that the SAWS system in each of these Counties could be transferred and be fully implemented in a receiving County by the following dates:

- o Napa County: July 1992
- o Merced County: October 1992

NOTE: These implementation dates are contingent upon the receiving County releasing an RFP by the scheduled Transfer Dates listed above.

We will periodically advise Counties of the status and any Transfer Date changes of the SAWS pilot systems. We will also continue to review these policies to provide as reasonable an approach to welfare automation as possible.

